

#11 - CITY OF SANTA CRUZ
PURCHASE OF SEABERG PROPERTY

COUNTY OF SANTA CRUZ & HOMELESS ACTION PARTNERSHIP

RFP – HEAP & CESH PROGRAMS 2019

Date: February 22, 2019

Legal Applicant:

Name: City of Santa Cruz

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Project Name: Purchase of Sea Berg Property at 125 Coral Street

Amount Requested: \$1,400,000 **HEAP or CESH or Both?** HEAP

Federal Tax ID No. 946000427

Contact Person at Agency/Business: Martin Bernal, City Manager

Contact Telephone: (831) 420 -5010

Contact E-mail: mbernal@cityofsantacruz.com

Certifications

The applicant certifies to the best of his/her knowledge and belief that the data in this application is true and correct and that filing of the application has been duly authorized by the governing body of the applicant and that applicant will comply with the assurances required of applicant if the application is approved and a contract is awarded. The applicant also attests the costs of the proposed project can be carried by the applicant for at least 90 days at any point during the term of the contract.

Signature:



Date: February 22, 2019

Name: Tina Shull

Title: Assistant City Manager

For County or HAP Use Only

Date Received:	Time Received:
Santa Cruz County or HAP Staff Signature Acknowledging Receipt of Application:	

Program Design

The City of Santa Cruz's overall goal with this project is to purchase a parcel of land at 125 Coral Street, which consists of two lots containing approximately 27,970 square feet, to support a diverse spectrum of shelter, hygiene and day services in Santa Cruz, which would evolve with needs over time. The parcel is adjacent to the Homeless Services Center.

The City continues to work on its three-phased plan to add shelter capacity to the homeless services system, and the single largest limiting factor in advancing that plan is siting. In 2018, the City worked for months to identify a site for a temporary shelter and was confronted with problems at every turn. Given Santa Cruz's landlocked and built-out environment, land opportunities are few and far between and the sites that were identified faced steep community opposition. Eventually, the City resorted to using its 1/3-acre property at 1220 River Street to operate a temporary managed campground. The site was functional but its small size limited the ability to scale resources and serve more individuals. Additionally, it is not a long-term solution. With an estimated 1,204 homeless individuals in Santa Cruz (80% of which are estimated to be unsheltered), there needs to be a site available to flexibly serve the unsheltered homeless population.

The parcel of interest, 125 Coral Street, has been appraised and is expected to be available in about 12 months. With this property under the City's control, many possibilities will be opened that can fundamentally improve homeless services in the region. The City envisions using the site—after assessment and any clean-up that may be needed to make it safe after its decades of industrial use—for temporary sheltering programs that could provide 24-7 shelter and day services, hygiene, storage and perhaps safe car parking. Full assessment of the facility and property will help define the possibilities but having this site control ensures full flexibility for

innovation and programs to serve emerging needs. Further, because 125 Coral Street is adjacent to the Homeless Services Center, community concerns are not expected to be minimal.

From there, the City is very excited to engage with master facility planning with the adjacent Homeless Services Center (HSC). The City is already a property owner of some parcels that are a part of the HSC campus and leased from the City. For years, HSC and the City have felt that there are more optimal configurations and possibilities to make the campus and greater area higher-functioning, better for serving the community of need and more compatible with the surrounding community. With City site control of 125 Coral Street, the City will have a firm place of engagement and ongoing commitment to the success of homeless services and improved outcomes for those experiencing homelessness. In these conversations, the City will also engage with the concept of adding permanent supportive housing as part of a master-planned facility. In sum, 125 Coral Street represents a rare, not-to-miss opportunity to change the trajectory of homeless services countywide.

While there is organizational non-profit capacity within Santa Cruz County to operate programs that could be sited in the short-term at 125 Coral Street, the City, as a governmental jurisdiction, is uniquely qualified to provide land use approvals, siting coordination, project management, and planning and construction roles quickly. Further, the City has the resources to meet any gaps in cost and process to acquire the parcel and for the testing, debris removal, demolition and environmental remediation which is likely to be needed. In this proposal, the City is asking for HEAP funds to cover the appraised price, \$1,400,000, for the intended use as an extension of the homeless facility. All other costs, unknown as they are, will be the responsibility of the City to identify funding.

This project will serve the entirety of the County, as many experiencing homelessness that utilize services that happened to be located within the City by virtue of being the county seat, are from the entire county. The target population would include unsheltered homeless individuals with specific programming that may target subpopulations. Should the City acquire the property, discussions with operators and other partners would dictate the programs scope, parameters and outcomes. There will be deliberate attention to understanding barriers to entry and creating a flexible approach to create accessible programs to serve as many need as possible. Once operating, a program that provides services could serve 700-1000 people per year and 200 bed nights.

While the funds would be used for site control and infrastructure, the City will seek to contract with a nonprofit organizations to provide staffing and operations. The City expects there to be significant operational support for these types of programs, but siting is critical for shelter provision. In the absence of a site, these emerging services will not happen.

In considering how to most effectively serve the emergency needs of the community's homeless population, the City has looked to other successful models, including the City of San Diego's Bridge Shelter Program. A key component of the Bridge Shelter Program Model is ensuring that the shelters follow Housing First Principles, including:

- Low barrier to entry
 - No identification initially required
 - Harm Reduction Model
- No preconditions
 - No service participation requirements
- Engage & encourage

- Trauma-informed care and motivational interviewing
- Supportive services are offered to maximize stability as opposed to addressing predetermined treatment goals prior to entry.

The City would contract with an operator who has an overall strong alignment with the Bridge Shelter Model and Housing First Principles and would expect selected operators to ensure clients are connected to mainstream services similar to the Bridge Shelter Program:

- Prior Living Situation: Work with relevant parties to better document diversion attempts.
- Staff Training: Ongoing coordinated training across all providers, ongoing rotation core and additional training types.
- Transportation: Funding for bus passes, buses and other resources.
- Length of Stay: Will clarify policy that 120-day stay is a goal, not a maximum length of stay.
- Employment Services: Job Fair scheduled, building relationships with employers, 'Take Back the Streets' and Wheels for Change.

The program operator will utilize the Smart Path Coordinated Entry System (CES) to prioritize individuals and will document homelessness consistent with the HUD definition; use the CES standardized vulnerability assessment tool in screening, referral and admissions processes; and participate in housing navigation, case conferencing or other integral components of CES.

Alignment with Jurisdictional Priorities

The City Council has prioritized homelessness response over the last several years. The Council Homeless Coordinating Committee Report's 20 recommendations, adopted in May 2017, charted a new strategic course for the City and community in addressing homelessness designed specifically to address the visible, unsheltered adult population. Those priorities are reflected in the proposal, including the following City jurisdictional priorities:

- Permanent Year-Round Homeless Center Shelter
- Fully Serviced Navigation Center Homeless Shelter
- Day Center with Basic Services for Case Management

This proposal would also address the following County jurisdictional priorities:

- Emergency Shelters
- Navigations Centers
- Support Services

Organizational Experience and Capacity

The City of Santa Cruz is full-service city operated with a \$200 million annual budget and 760 full-time employees, with a range of resources and expertise from land use and planning, to public works to water infrastructure. The City has the capacity and expertise to deploy significant resources to stand up a program quickly. That expertise includes planners, utility experts, engineers, construction managers, project managers, among others. The City is also the permitting official within its jurisdiction, controlling land use decisions. In sum, the City is well-established, financially grounded, staffed and resourced to support a range of programming and services.

The City has recent experience with building and operating a shelter program, the River Street Camp. During its nine months in operation, the camp served 130 clients and employed over 30 individuals, many currently experiencing homelessness. The River Street Camp provided not only a stable and safe community for its campers and staff, but also a learning exercise for the City and its regional partners as we contemplate future sheltering opportunities.

The City has a long history across City departments of successfully managing federal and/or state grants and complying with funding requirements. In addition to the range of services the City is able to bring to this project, through CORE (social services grants) and in direct service contracts, the City has a long history of working with local nonprofits to reach collective outcomes.

Data Collection and Program Outcomes

This project is focused on purchasing the parcel, in order to achieve site control for siting future homeless shelter and programming (estimated for availability about 12 months in the future) and no immediate programming is suggested.

However, with future shelter and programming, the City would ensure that operators who manage programming on the site would have systems in place for collecting, tracking, analyzing, and reporting program data and performance measures.

Appendix H. HEAP and CESH Program Outcomes Logic Model

Program Outcomes Logic Model

Project Title: Sea Berg/Coral St Parcel Purchase

Agency Name: City of Santa Cruz

	OUTPUTS: How much will you do, for whom?		OUTCOMES: How will participants be better off as a result of your program or services?	IMPACT ¹ : What community-level results will your program-level outcomes contribute to?
	Number and Type of Activities	Number and Type of Participants	Program-Level Outcomes	Community-Level Impacts
1.	Purchase of parcel on Coral Street	Services could serve 700-1000 people per year and 200 bed nights.	Meet the emerging and changing needs of the homeless community.	<input type="checkbox"/> Health and Wellness; Stable, Affordable Housing & Shelter

1. X% of program participants get jobs and grow their income

¹ In an effort to align local HEAP/CESH RFP process with County CORE Investments, we have included this list of Results derived from the County CORE Investment framework.

Sustainability

This project is focused on the purchase of a parcel for homeless sheltering and services, a one-time expense. As discussed in the Program Design section, the parcel is envisioned to provide a short to medium-term location for the City and other partners to more effectively provide homeless services. In the future, this parcel will serve a crucial role in master planning for the enhancement of the adjacent Homeless Services Center campus, to achieve an elevation in the quality and effectiveness of services offered.

HEAP and CESH Programs

Project Budget - Revenues

(27 Month Budget)

Project Title

Applicant Name

HEAP Award

Budget Term: April 1, 2019 - June 30, 2021

Component	HEAP Request	CESH Request
HEAP Activities:		
Services		
Rental Assistance or Subsidies		
Capital Improvements	\$ 1,400,000	
Youth Set Aside		
Other HEAP		
CESH Activities:		
Rental Assistance, Housing relocation, and Stabilization		
Flexible Housing Subsidy Funds		
Capital Improvements		
Operating Support for Short-Term, Emergency Housing		
Systems Support: CES, HMIS, Planning		
TOTAL	\$ 1,400,000	\$ -

Revenue and Expense budgets should reflect the *entire program budget* for the specific project for which HEAP funds were awarded. Total Revenue and Expenses should match.

Revenue

Source	Total Program Budget	HEAP CESH	Other
HEAP Program	\$ 1,400,000	HEAP CESH	
CESH Program			
CDBG			
CoC			
ESG			
HOME			
Other Federal Funds (specify program below)			
State Funds (specify program below)			
County or City Funds (specify program below)	Unknown		
Private Funds (specify program below)			
Private Trusts and Foundation Funds			
Fundraising Events			
Donations			
Client Fees			
Other Private Funds (specify source below)			
Total Revenue	\$ 1,400,000	\$ -	\$ -

Capital Expenditures Budget

Parcel Purchase on Coral

City of Santa Cruz

Budget Term: April 1, 2019 - June 30, 2021

Indirect Costs (Maximum 10% of Grant)

(27 Month Budget)

Project Budget - Expenses

Project Title

Parcel purchase on Coral St

City of Santa Cruz

Expenses

Budget Term: April 1, 2019 - June 30, 2021

[illegible]

Narrative (optional)

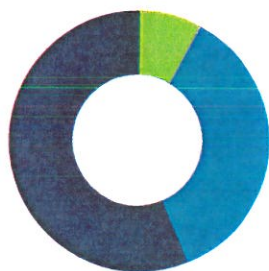
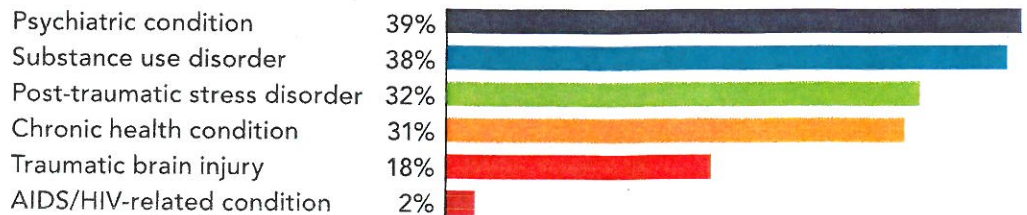
HOMELESSNESS REPORT AND PLAN SUMMARY



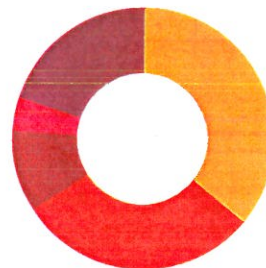
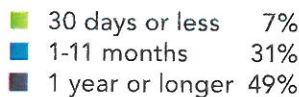
A Snapshot of Homelessness



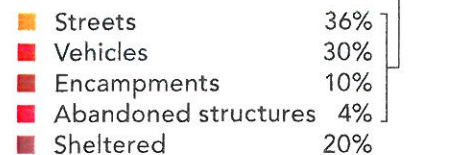
Disabling Conditions That Contribute to Homelessness*



Duration of Homelessness*



Locations*



80% Unsheltered

*Santa Cruz County
Source: 2017 Point-in-Time Homeless Census

Short Horizon Solutions (0-3 years), Adopted by City Council

Support the Implementation and Success of Coordinated Entry

Provide support to launch and sustain this new system. Require that any City-supported homeless program to integrate with the system.

Increase Homeless Outreach Services and Mobile Behavioral Health/Mental Health Response

Expanded mobile mental health team from the County Health Services Agency. Consider additional outreach workers in the downtown.

Contract for Homeless Jobs Engagement Program

Contract with the Downtown Streets Team to provide homeless outreach and jobs opportunity. Team could assist with clean-ups, beautification projects, maintenance of downtown, dumping clean-up, and support services in public garages and other facilities.

Create a Triage Location/Expanded Recovery Center for Crisis Intervention

Explore partnerships with County and health providers to establish more treatment bed capacity and reserve one bed for on-demand treatment of people found in crisis. Expand services offered at the Recovery Center. Advocate to include mental health triage center for individuals who are sub-acute, but clearly in need of psychiatric intervention.

Secure Storage Facilities

Identify and secure facilities to allow individuals to check their possessions into a managed storage facility or rental storage lockers. Co-locate with other services and case management, or follow the storage, shower and laundry facility model (SHWASHLOCK).

Secure Hygiene Resources: Restrooms and Showers

Explore locations and providers of additional restrooms and showers dedicated for the homeless community. Consider hygiene buses or mobile restroom trailers, as well as supportive partnerships with the faith-based community, homeless advocates, businesses and other organizations.

Continue to Fund Homeward Bound

Appropriate \$25,000 in the FY 2018 Budget for Homeward Bound. Outreach to other service-providing agencies to offer access to these funds. Invite the Homeless Action Partnership to jointly fund the program. Encourage public donations.

Secure Electronic Device Charging Resources

Research the charging station program at the library. Secure and site electronic device charging resources in the City. Encourage other locations outside of the City.

Short Horizon Solutions (continued)

Create a 2x2 Committee with the County

Formally invite the County to participate and schedule the first meeting for Summer 2017.

Explore Potential for Local Help from No Place Like Home Legislation (AB 1618)

Work with the County in anticipation of the Notice of Financial Availability release in Winter 2018.

Develop a Revenue Source for Housing

Support the work of the Affordable Housing Committee or other efforts to identify, create and dedicate funding for development of housing.

Coordinate State Advocacy with Other High-Ratio Homeless Communities

Engage in Strategic Planning with the Homeless Services Center, County and Other Service Partners

Coordinate State Advocacy with Other High-Ratio Homeless Communities.

Engage and Advocate Federal Representatives on Homelessness and Mental Illness Needs

Improve City's Internal Coordination System and Homeless Protocols from Front Line to Public Safety Staff, and Ensure Training and Support

Create Homelessness Information and Resource Page on City Website

Long Horizon Solutions (5+ years), Adopted by City Council

Cultivate Development of Housing

Support the development of housing.

In addition, three shelter options are recommended and are ranked in terms of priority:

#1 Consider San Francisco Navigation Center Model

Engage in partner and community discussions about a regional navigation center. This is the gold standard: a one-stop facility integrating rehabilitation, employment, shelter and wrap-around services.

#2 Pursue Permanent, Regional, Year-Round Homeless Shelter Center

Engage in partner and community discussion about a regional year-round homeless shelter center.

#3 Explore a Day Center with Basic Services and Case Management

Consider the re/establishment of a day center with basic services and case management workers to provide a productive environment that helps with immediate and long-term needs.

